

BUSINESS & LABOR  
EXHIBIT NO. 1  
DATE 4-7-09  
BILL NO. SR 21

**Keith Kelly**  
**Commissioner, Montana Department of Labor and Industry**  
**1327 Lockett St. Helena MT 59624**

The Department of Labor and Industry is directly responsible for policy development, implementation and administrative oversight of various employment, training and licensing programs as provided for in the Montana Codes Annotated. The primary titles governing the Department of Labor and Industry are: 18, 30, 37, 39, 49, 50 and 90. The administration is accomplished organizationally by five divisions:

- **Workforce Services Division**-provides job training to assist individuals in preparing for and finding jobs, and assists employers in finding workers. Oversees the federal/state training and apprenticeship programs.
- **Unemployment Insurance Division**-is a federal-state program financed through a federal tax paid by employers that administers the unemployment insurance program and disburses unemployment benefits
- **Business Standards Division**-provides administrative and clerical services to the 39 professional boards and licensing programs authorized by state statutes. The division establishes and enforces **minimum** building codes and licenses, certifies and tests all commercial weighing or measuring devices.
- **Employment Relations Bureau**-upholds employment relationships, illegal discrimination and worker's compensation through its five bureaus. Oversees and regulates the Montana Workers' Compensation system, provides adjudicative services in labor management disputes.
- **Commissioner's Office/Central Services Division**-provides necessary support in the areas of administrative hearings, information and technical services, accounting, and budgeting to the department's divisions and administratively attached entities.

The Department of Labor has 730 employees and a budget of just under \$80 million. More General Fund Resources will be needed due to the economy. Montana entered into the economic crisis in a good position, however as the crisis continues more pressure is put on the administrative functions of the department. As the unemployment rate continues to rise, so does the need for services the department provides to Montanans. The Unemployment Insurance Trust Fund for Montana is one in only a handful that remains solvent, so there is no danger of Montanans not receiving their unemployment benefits.

The Department is working the Labor Management Advisory Council and WorkSafeMT in lowering the Worker's Comp rate, which will save the state Millions of Dollars. The Department is also working with Business, Labor and Education leaders to create new opportunities for apprenticeship. An example of this is the Lineman College in Butte, where interested workers could train to become lineman in Montana, rather than travel out of state. The Department also piloted the Successful Incumbent Worker program, which helps businesses train workers who are already employed with them to further their career. We are fortunate that we are in a good position entering the economic downturn, and while we will be impacted by the challenges, the challenges are also opportunities to better our workforce and in turn strengthen Montana's economy.

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**Administrator**  
**Farm Service Agency**  
**U.S. Department of Agriculture**

**June 1997-January 2001**

- Responsible for the administration and oversight of National Farm Policy and Programs.
- Responsible for the budgeting and accounting of \$30 billion revolving authority requiring Presidential appointment and U.S. Senate Confirmation.
- Supervised and administered the delivery of \$28.3 billion annual payments to farmers/ranchers through 2400 offices with 17,500 employees.
- Managed 400% increase in farm program payments, a 75% increase in Farm Loans portfolio and a 350% increase in international food aid with no increase in employees.

**Director**  
**Arizona Department of Agriculture**

**July 1990-June 1997**

- Consolidated four autonomous State agencies into a unified cabinet level department with approximately 450 employees and an appropriated annual budget of \$13 million; a cost savings of \$1.9 million annually.
- Proponent of Private Property Rights Legislation which was passed by a bipartisan legislature and became law in 1992.

**Deputy Secretary of State**

**March 1990-June 1990**

- Managed office operations for Secretary of State Mike Cooney.
- Supported and implemented business registration and licensing laws as required by Montana Statutes.

**Director**  
**Montana Department of Agriculture**

**January 1983-January 1989**

- Managed Cabinet level agency with approximately 110 employees and a \$5.5 million annual budget.
- Appointed by Secretaries' of Interior and Agriculture to represent state government in developing and implementing conflict resolution process on Public Lands. (One of three pilot projects nationwide)
- Initiated and developed the first statewide weed control program in cooperation with the DOI/Bureau of Land Management and the USDA/Forest Service with an annual budget of \$1.5 million.
- Assisted with the development of the effort to promote agricultural products in both domestic and international markets. (Montana Growth Through Agriculture Act)

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